



## FOR YOUR INFORMATION

Brian Colby

Date: September 9, 1998

To: Joe Murillo

Re: **EMI Contract Amendment - Miles Redemption**

cc: P. Datta  
J. Fontanez  
N. Marcus  
Y. Robinson ✓  
W. Seaman (H&W)

Attached, please find a revised Exhibit C-1, and a marked up version of the drafted amendment that reflects the financial changes related to the 1998 EMI contract. Regarding the adjustment to the fee payment schedule included in Paragraph 4, please reflect the incremental fee in the final installment (as reflected in the attachments).

In addition, PM USA Financial Controls has requested that the following controls related to the miles redemption test be formalized and agreed to in writing prior to the commencement of the test (EMI additional responsibilities). As a result, these controls need to be incorporated into the EMI agreement via this amendment or in a subsequent one:

- EMI must collect and count all miles received from each customer to ensure that 200 miles are received. EMI must record the number of people admitted per ticket and record the number of miles counted.
- All miles and supporting documentation should be placed in envelopes. The number of miles contained within each envelop, as well as the number of customers admitted, should be clearly written on the outside of each envelop. An EMI employee must sign and date the outside of each envelop verifying the accuracy of its contents.
- Until the envelopes are sent to PM USA, EMI must maintain all envelopes in a lock box.
- Periodically, as requested by PM USA Fulfillment, EMI must send collected miles and supporting documentation to PM USA Fulfillment in New York (via registered mail).
- All EMI Staff responsible for collecting and counting miles must sign a PM USA affidavit.

Please let me know if you have any questions. Thanks.

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